

INITIAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

New Section 63-502.371

Specific Purpose:

Section 63-502.371 is being adopted to ensure clarity and consistency with federal regulations. County Welfare Departments (CWDs) are to accurately execute federal requirements in accordance with the provisions of 7 CFR 273.9(d)(6)(iii)(F).

Factual Basis:

Federal regulations, 7 CFR 273.9(d)(6)(iii)(F) state: “If a household lives with and shares heating or cooling expenses with another individual, another household, or both, the State agency must prorate a standard that includes heating or cooling expenses among the household and the other individual, household, or both. However, the State agency may not prorate the SUA if all the individuals who share utility expenses but are not in the food stamp household are excluded from the household only because they are ineligible.”

Section 63-502.372 - renumbered from Section 63-502.371

Specific Purpose / Factual Basis:

Section 63-502.372 is being renumbered from Section 63-502.371 to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371.

Previous Section 63-502.371(c)

Specific Purpose / Factual Basis:

Previous Section 63-502.371(c) is being deleted. The intent of previous Section 63-502.371(c) has been incorporated into new Section 63-502.371. As written, previous Section 63-502.371(c) no longer applies.

Section 63-502.372(c) - renumbered from Section 63-502.371(d)

Specific Purpose / Factual Basis:

Section 63-502.372(c) is being renumbered from Section 63-502.371(d). This renumbering is necessary to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371 and the deletion of Section 63-502.371(c).

HANDBOOK - SHARED RESIDENCE heading preceding renumbered Section 63-502.372(c)(5)

Specific Purpose / Factual Basis:

The SHARED RESIDENCE heading is being amended to correct an incorrect citation. The previous cross reference to Section 63-502.364 is incorrect. Section 63-502.375 is the correct citation.

Section 63-502.373 - renumbered from Section 63-502.372

Specific Purpose:

Section 63-502.373 is being renumbered from Section 63-502.372. This renumbering is necessary to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371.

This section is being amended to clarify if the excluded member(s) live with and shares utility expenses with the food stamp household and the food stamp household elects the SUA, the CWD is to refer to Section 63-502.371. CWDs are to accurately execute federal requirements in accordance with the provisions of 7 CFR 273.9(d)(6)(iii)(F).

Factual Basis

See the Factual Basis for new Section 63-502.371.

Section 63-502.373(b)

Specific Purpose:

Section 63-502.373(b) is being amended to replace the word "alien" with the word "noncitizen" and to correctly cite Section 63-502.375.

Factual Basis:

The word "noncitizen" is more appropriate than the word "alien." This editorial change ensures clarity and consistency with other Food Stamp Program regulations.

The previous reference to Section 63-502.364 is incorrect. Section 63-502.375 is the correct citation.

Section 63-502.373(b)(1)

Specific Purpose / Factual Basis:

Section 63-502.373(b)(1) is being amended to replace the word "alien" with the word "noncitizen." The word "noncitizen" is more appropriate than the word "alien." This editorial change ensures clarity and consistency with other Food Stamp Program regulations.

Section 63-502.373(b)(2)

Specific Purpose:

Section 63-502.373(b)(2) is being amended to replace the word "alien" with the word "noncitizen" and to make a grammatical correction with regard to applying the proration.

Factual Basis:

The word "noncitizen" is more appropriate than the word "alien." This editorial change is necessary to ensure clarity and consistency with other Food Stamp Program regulations.

The phrase "included in the proration" ensures a more clear understanding of the proration process than merely using the word "prorated."

Section 63-502.373(b)(3)

Specific Purpose / Factual Basis:

Section 63-502.372(b)(3) is being amended to replace the word "alien" with the word "noncitizen." The word "noncitizen" is more appropriate than the word "alien." This editorial change is necessary to ensure clarity and consistency with other Food Stamp Program regulations.

Section 63-502.374 - renumbered from Section 63-502.373

Specific Purpose / Factual Basis:

Section 63-502.374 is being renumbered from Section 63-502.373. This renumbering is necessary to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371.

The Deduction Decision Chart in Shared Living Arrangements - referenced in Section 63-502.374(d)

Specific Purpose:

The Chart is being amended to ensure consistency within state regulations and to be in accordance with federal regulations. CWDs are to accurately execute federal requirements in accordance with the provisions of 7 CFR 273.9(d)(6)(iii)(F).

This chart is also being amended to replace the word "alien" with the word "noncitizen."

Factual Basis:

See the Factual Basis for Section 63-502.371.

The word "noncitizen" is more appropriate than the word "alien." This editorial change is necessary to ensure clarity and consistency with other Food Stamp Program regulations.

Section 63-502.375 - renumbered from Section 63-502.374

Specific Purpose / Factual Basis:

Section 63-502.375 is being renumbered from Section 63-502.374. This renumbering is necessary to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371.

Section 63-502.375(a)(2)

Specific Purpose / Factual Basis:

Section 63-502.375(a)(2) is being amended to replace the word "alien" with the word "noncitizen." The word "noncitizen" is more appropriate than "alien." This editorial change is necessary to ensure clarity and consistency with other Food Stamp Program regulations.

Section 63-502.375(c)

Specific Purpose:

Section 63-502.375(c) is being amended to clarify if the excluded member(s) live with and shares utility expenses with the food stamp household and the food stamp household elects the SUA, the CWD is to refer to Section 63-502.371. CWDs are to accurately execute federal requirements in accordance with the provisions of 7 CFR 273.9(d)(6)(iii)(F).

Factual Basis

See the Factual Basis for new Section 63-502.371.

Section 63-502.376 - renumbered from Section 63-502.375

Specific Purpose:

Section 63-502.376 is being renumbered from Section 63-502.375 and amended to change the reference from Federal Fiscal Year "1997" to Federal Fiscal Year "2004."

Factual Basis:

The renumbering is necessary to maintain the correct numerical sequence as a result of the adoption of new Section 63-502.371.

The SUA dollar amount cited in the Examples I-VI that follow are based upon the dollar amount for Federal Fiscal Year 2004. The reference to Federal Fiscal Year "1997" has been changed to refer to Federal Fiscal Year "2004."

Section 63-502.376, Examples I through VI

Specific Purpose:

Section 63-502.376, Examples I through VI, are being amended throughout to 1) replace the word "alien" with the word "noncitizen," 2) reference the SUA \$227 dollar amount, 3) specify the "full SUA is allowed," and 4) make a grammatical correction with regard to applying the proration.

In Example V., a new "NOTE" is being adopted and repositioned to replace the existing "NOTE", located at the end of the example, that is being deleted.

Factual Basis:

The word "noncitizen" is more appropriate than "alien." This editorial change is necessary to ensure clarity and consistency with other Food Stamp Program regulations.

In Federal Fiscal Year 2004 the SUA dollar amount increased from \$206 to \$227. These examples are based upon the Federal Fiscal Year 2004 dollar amount of \$227.

Section 7 CFR 273.9(d)(6)(iii)(F), as amended by the Noncitizen Eligibility Rule, provides that when eligible household members share utility costs with ineligible individuals, and the household elects SUA, the eligible household is entitled to the entire SUA.

The phrase "included in the proration" ensures a more clear understanding of the proration process than merely using the word "prorated."

The adopted "NOTE" ensures a more clear understanding of the proration process. The deleted "NOTE" no longer applies.

b) Identification of Documents Upon Which Department is Relying

United States Department of Agriculture, (U.S.D.A.) Food and Nutrition Service (FNS),
7 Code of Federal Regulations Part 273.9(d)(6)(iii)(F).

c) Local Mandate Statement

These regulations do impose a mandate on local agencies, county welfare departments, or school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Section 17500 et seq. of the Government Code because these regulations implement the federal mandate contained in 7 Code of Federal Regulations Part 273.9(d)(6)(iii)(F).

d) Statement of Alternatives Considered

CDSS has determined that no alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected persons than the proposed actions.

e) Statement of Significant Adverse Economic Impact On Business

CDSS has made an initial determination that the proposed action will not have a significant adverse economic impact on businesses including the ability of California businesses to compete with businesses in other states.